# TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



## FISCAL NOTE

### SB 264 - HB 569

March 2, 2009

**SUMMARY OF BILL:** Authorizes the Tennessee Wildlife Resources Agency to issue free sport hunting and fishing licenses to Tennesseans who are 100 percent disabled and receive social security benefits.

#### **ESTIMATED FISCAL IMPACT:**

Decrease State Revenue – \$42,200/Net Impact/Wildlife Resources Fund/FY09-10 \$54,600/Wildlife Resources Fund/FY10-11 and Subsequent Years

#### Assumptions:

- Despite the language of the bill, which indicates that the license will be free, the language found in Tenn. Code Ann. § 70-2-104(d)(2) would require a one-time \$10 fee for such license. In subsequent years, there would be no such fee. The purpose of such fee is to allow the TWRA to draw down federal funds for each license sold. As a result, there will be no decrease in federal revenue to the state associated with the bill.
- The number of 100 percent disabled individuals in Tennessee between the ages of 13 and 64 is estimated to be approximately 127,700.
- Approximately 9.7 percent of Tennessee residents purchase a sport hunting and fishing license.
- The number of individuals qualifying for a free license is estimated to be approximately  $12,400 (127,700 \times 9.7\% = 12,387)$ .
- Only ten percent of those who qualify would obtain the license. Therefore, the number actually receiving a free license is estimated to be  $(12,400 \times 10\% = 1,240)$ .
- A one-time increase in state revenue of approximately \$12,400 for each license sold (1,240 x \$10 = \$12,400). Such increase would occur in FY09-10.
- The average price of a resident license is approximately \$44.00.
- The decrease in state revenue resulting from decreased license sales is estimated to be approximately  $$54,600 (1,240 \times $44 = $54,560)$ .

- The net decrease in state revenue for FY09-10 is estimated to be approximately \$42,200 (\$54,600 \$12,400 = \$42,200).
- The recurring decrease in state revenue for FY10-11 and thereafter is estimated to be approximately  $$54,600 (1,240 \times $44 = $54,560)$ .
- The vast majority of those qualifying individuals wishing to obtain the discounted license will purchase the license in the first year offered. Any increase or decrease in state revenue to the Wildlife Resources Fund in subsequent years due to additional license sales under the provisions of this bill is estimated to be not significant.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James W. White, Executive Director

/cce